

ASSEMBLY BILL

No. 1909

Introduced by Assembly Member Yamada

February 19, 2014

An act to amend Section 46013.1 of the Food and Agricultural Code, relating to food and agriculture.

LEGISLATIVE COUNSEL'S DIGEST

AB 1909, as introduced, Yamada. Food and agriculture: organic foods: registration.

Existing law requires every person engaged in this state in the production or handling of raw agricultural products sold as organic, retailers that are engaged in the production of products sold as organic, and retailers that are engaged in the processing, as defined, of products sold as organic, to register with the agricultural commissioner in the county of principal operation prior to the first sale of the product. Existing law requires all processors of specified organic agriculturally derived products that are not required to be registered with State Public Health Officer, to register with the Secretary of Agriculture.

This bill would make nonsubstantive changes in those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 46013.1 of the Food and Agricultural
- 2 Code is amended to read:
- 3 46013.1. (a) Every person engaged in this state in the
- 4 production or handling of raw agricultural products sold as organic,

1 ~~and~~ retailers that are engaged in the production of products *that*
2 *are* sold as organic, and retailers that are engaged in the processing,
3 as defined by the NOP, of products sold as organic, shall register
4 with the agricultural commissioner in the county of principal
5 operation ~~prior to~~ *before* the first sale of the product. All processors
6 of organic agriculturally derived products that are not required to
7 be registered as outlined in subdivision (b) ~~must~~ *shall* register with
8 the secretary. Each registrant ~~must~~ *shall* annually renew the
9 registration unless no longer engaged in the activities requiring
10 the registration. Each registrant shall provide a complete copy of
11 its registration to the county agricultural commissioner in any
12 county in which the registrant operates.

13 (b) Every person engaged in this state in the processing or
14 handling of processed products pursuant to Section 110460 of the
15 Health and Safety Code, and pet food pursuant to Section 18653,
16 and cosmetics pursuant to Section 111795 of the Health and Safety
17 Code, including processors of alcoholic beverages, fish and
18 seafood, shall register with the State Public Health Officer.

19 (c) Registration pursuant to this section shall be on a form either
20 provided by the secretary or approved by the secretary and shall
21 be valid for a period of one calendar year from the date of
22 validation by the secretary or county agricultural commissioner
23 of the completed registration form.

24 (d) The information provided on the registration form shall
25 include all of the following:

26 (1) The nature of the registrant's business, including the
27 categorical products produced, handled, or processed that are sold
28 as organic and the names and registration numbers of those persons
29 for whom they sell product as applicable.

30 (2) (A) For producers, a detailed physical description of the
31 precise location and dimensions of the facility or farm where the
32 products are produced.

33 (B) For exempt producers, in addition to the physical description
34 specified in subparagraph (A), a map describing the boundaries
35 and dimensions of the production area and all adjacent land uses,
36 assigning field numbers to distinct fields or management units,
37 and describing the size of each field or management unit.

38 (C) When the exempt producer or exempt handler has not had
39 control of the property being registered for at least 36 months,
40 documentation shall be provided from previous owners or managers

that shows the 36-month land use history. When the exempt producer or exempt handler is not the owner, documentation shall be provided from the owner granting permission for the parcel to be registered as organic by the exempt producer or exempt handler.

(3) Sufficient information, under penalty of perjury, to enable the secretary or county agricultural commissioner to verify the amount of the registration fee to be paid in accordance with this act.

(4) The names of all certification organizations or governmental entities, if any, providing organic certification to them.

(5) In the case of exempt producers, for each field or management unit, a list of all substances applied to the crop, soil, growing medium, growing area, irrigation water or postharvest wash or rinse water, or seed, including the source of the substance, the brand name, if any, the rate of application, and the total amount applied in each calendar year, for at least the applicable time periods specified in this act.

(e) The registration form shall include a separate “public information sheet” or its equivalent that shall include:

(1) The name and address of the registrant.

(2) The nature of the registrant’s business, including the categorical products produced, handled, or processed that are sold as organic.

(3) The names of all certification organizations or governmental entities, if any, providing certification pursuant to the NOP and this act.

(f) A registration form shall be accompanied by payment of a nonrefundable registration fee by producers, handlers, and processors, which shall be based on gross sales by the registrant of product sold as organic in the calendar year that precedes the date of registration or, if no sales were made in the preceding year, then based on the expected sales during the 12 calendar months following the date of registration. Unless specified elsewhere the fee is based according to the following schedule:

	Gross Sales		Registration Fee
\$	0 –	4,999	\$ 25
\$	5,000 –	10,000	\$ 50
\$	10,001 –	25,000	\$ 75
\$	25,001 –	50,000	\$ 100

1	\$	50,001	–	100,000	\$	175
2	\$	100,001	–	250,000	\$	300
3	\$	250,001	–	500,000	\$	450
4	\$	500,001	–	1,000,000	\$	750
5	\$	1,000,001	–	2,500,000	\$	1,000
6	\$	2,500,001	–	5,000,000	\$	1,500
7	\$	5,000,001	–	15,000,000	\$	2,000
8	\$	15,000,001	–	25,000,000	\$	2,500
9	\$	25,000,001	–	and above	\$	3,000

10

11 (1) Any person required to register pursuant to this section
 12 whose registration fee would be less than seventy-five dollars (\$75)
 13 shall pay an initial registration fee of seventy-five dollars (\$75).
 14 Thereafter, the amount of the annual fee shall be as specified above
 15 or, according to the applicable classification, as described in
 16 paragraphs (2) to (9), inclusive.

17 (2) Any person selling a multi-ingredient product in which less
 18 than 70 percent of the ingredients are organic shall pay a fee of
 19 one hundred dollars (\$100) or one-half of the amount that would
 20 be due based on the above chart, whichever is more.

21 (3) Producers that sell processed product shall pay fees based
 22 on the value of raw product ~~prior to~~ *before* being processed and
 23 the value of any product sold as unprocessed.

24 (4) Any person that packs, repacks, labels, sorts, or otherwise
 25 handles any organic product that is outside the jurisdiction of the
 26 State Public Health Officer and that does not take title or manage
 27 the sale of the product, but provides only handling services for
 28 organic product, shall register and pay one hundred dollars (\$100)
 29 per year.

30 (5) Commission merchants or brokers that do not take possession
 31 or title of the product but arrange for the sale of the product shall
 32 register and pay one hundred dollars (\$100) per year.

33 (6) A retail store engaged in the handling or processing of
 34 organic products shall register and pay a fee of one hundred dollars
 35 (\$100) for each store location that processes organic products
 36 onsite.

37 (7) Any person that provides temporary storage or transportation
 38 for organic product and does not handle the raw unpackaged
 39 product does not have to register.

1 (8) Any person that hires any other person for custom packing
2 or labeling shall register and pay a fee based on the total sales of
3 product custom produced for them as outlined in the chart above.
4 In addition to the required registration information above the person
5 must disclose on the registration form the names of all companies
6 that pack and process for them.

7 (9) Any person required to register pursuant to this section that
8 fits the description of more than one of the persons described above
9 shall pay the greater of the multiple amounts.

10 (10) The secretary may require any producer, handler, processor,
11 or other organic registrant to provide the exact dollar amount of
12 gross sales of twenty-five million one dollars (\$25,000,001) or
13 more in lieu of the range specified in subdivision (f).

14 (11) The secretary may require any producer, handler, processor,
15 or other organic registrant to submit gross sales by commodity and
16 gross sales by acreage.

17 (g) The secretary may adopt regulations that supersede the terms
18 of this section to the extent reasonably necessary to provide an
19 online system of registration for those required to register pursuant
20 to this section.